State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Inspection Report

Representatives Present During the Inspection:	
OGM	Jerriann Ernstsen Environmental Scientist II
Company	Jack R. Rogers
OGM	Steven Fluke Environmental Scientist II

Permit Number:	**C0410002**
Inspection Type:	TECHNICAL
Inspection Date:	Thursday, August 25, 2005
Start Date/Time:	8/25/2005 11:00:00 AM
End Date/Time:	8/25/2005 3:00:00 PM
Last Inspection:	

Inspector: Steven Fluke, Environmental Scientist II

Weather: partly cloudy, calm, warm (~80 F)

InspectionID Report Number: 707

Accepted by: whedberg
9/28/2005

Permitee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **SUFCO MINE**
Address: **397 S 800 W, SALINA UT 84654**
County: **SEVIER**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

24,632.95	**Total Permitted**
27.36	**Total Disturbed**
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☑ **Federal**
- ☑ **State**
- ☐ **County**
- ☐ **Fee**
- ☐ **Other**

Types of Operations

- ☑ **Underground**
- ☐ **Surface**
- ☐ **Loadout**
- ☐ **Processing**
- ☐ **Reprocessing**

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Jerriann Ernstsen and Steve Fluke conducted an inspection of the SITLA Muddy Tract Exploration. We met Jack Rogers, the on-site geologist, at the staging area at the start of the Big Ridge ATV road. The three of us visited drill sites A and B on Big Ridge that had been set up the previous week. The drilling reportedly began on August 19. The purpose of the inspection was to see that drilling was being conducted in accordance with the Division approved NOI to conduct minor coal exploration. Overall, the project appeared to be conducted as planned, however, there were non-compliance issues. Machinery at the drill sites including the drill rigs and diesel tanks were not properly contained. Although the machinery had liners beneath them, the liners edges were not adequately raised to prevent spills from escaping or runoff from entering. In addition, the geologist and drillers on site were not familiar with the approved NOI plan and did not have an up-to-date version of the plan on site.

Inspector's Signature /S/ **Date** Tuesday, August 30, 2005

Steven Fluke, Environmental Scientist II
Inspector ID Number: 53

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. *Substantiate the elements on this inspection by checking the appropriate performance standard.*
   a. *For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.*
   b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.*
3. *Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.*
4. *Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	☐	☑	☐	☐
2. Signs and Markers	☐	☑	☐	☐
3. Topsoil	☑	☐	☑	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☐	☑	☐	☐
4.d Hydrologic Balance: Water Monitoring	☐	☑	☐	☐
4.e Hydrologic Balance: Effluent Limitations	☐	☑	☐	☐
5. Explosives	☐	☑	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☑	☐	☑	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☐	☑	☐	☐
8. Noncoal Waste	☑	☐	☑	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☐	☑	☐	☐
10. Slides and Other Damage	☐	☑	☐	☐
11. Contemporaneous Reclamation	☐	☑	☐	☐
12. Backfilling And Grading	☐	☑	☐	☐
13. Revegetation	☑	☐	☑	☐
14. Subsidence Control	☐	☑	☐	☐
15. Cessation of Operations	☐	☑	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☑	☐
16.b Roads: Drainage Controls	☐	☑	☐	☐
17. Other Transportation Facilities	☐	☑	☐	☐
18. Support Facilities, Utility Installations	☐	☑	☐	☐
19. AVS Check	☐	☑	☐	☐
20. Air Quality Permit	☐	☑	☐	☐
21. Bonding and Insurance	☐	☑	☐	☐
22. Other	☑	☐	☑	☐

3. Topsoil

Topsoil was not required to be stockpiled for the exploration pad sites.

4.a Hydrologic Balance: Diversions

There were no diversions of surface flow as planned. Water for the project was obtained from Muddy Creek as per the mine's water right. The water was first pumped to 18,000 gal frac tanks and then to 1,000 gal poly tanks located at the drill sites.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Machinery at the two drill sites including the drill rigs and diesel tanks were not adequately contained as stated in the plan. Although the machinery had liners beneath them, the liners edges were not adequately raised to prevent spills from escaping or runoff from entering.

6. Disposal of Excess Spoil, Fills, Benches

Drill cuttings were removed from the mud tank by helicopter and transported to the mine's waste rock disposal site.

8. Noncoal Waste

Drilling fluids were properly contained in mud tanks and cuttings were being removed from the site by helicopter.

13. Revegetation

The operator will reseed the drill pad and ATV off-road access path with the approved seed mix from the NOI plan.

16.a Roads: Construction, Maintenance, Surfacing

Access to the drill sites was via a two-track ATV trail (FS Trail 025) and temporary cross country ATV trails leading to each site. The drill rig located at site B was tracked in on the ATV trail. The rig at site A was flown in by helicopter. The ATV travel appeared to be contained within the ATV trails and travel kept to a minimum as the drill crews are helicoptered in to the sites each day. Except for the trampling of vegetation for the temporary ATV trails, no roads were constructed for the project.

22. Other

The geologist and drillers on site were not familiar with the approved NOI plan and did not have an up-to-date version of the plan on site as required.